

xc: Delfino Begay, Tribal Secretary/Ron J. Solimon, Legal Assistant 9/17/84

ANACONDA Minerals Company

555 Seventeenth Street
Denver, Colorado 80202
Telephone 303 293 4119

Ben L. Odom
Senior Vice President



RECEIVED

SEP 17 1984

PUEBLO OF LAGUNA
GOVERNOR'S OFFICE

September 13, 1984

The Honorable Vicenti Pedro
Governor, Pueblo of Laguna
P.O. Box 194
Laguna, New Mexico 87026

Dear Governor Pedro:

Anaconda Minerals Company recently agreed to hold its cash offer open to the Pueblo of Laguna on a day-to-day basis until the Department of Interior completed its review of the Dames & Moore model. That review is now complete and we would like to meet no later than Friday, September 28, 1984, to conduct a final review of our position, and to establish a firm and final time schedule for a decision on Anaconda's offer.

An Agreement is enclosed which contains the terms of Anaconda's offer of \$40,900,000 to the Pueblo. This is the offer we made to The Pueblo in August 1983 which expired on June 1, 1984 and was extended to date. If by October 8 this agreement is not signed in substantially its present form by the Pueblo, Anaconda's cash offer will be withdrawn. At such time as our offer is withdrawn we intend to continue our review of alternatives to resolving the reclamation issue, the most prominent of which is to seek legal recourse for approval of Anaconda's plan.

Sincerely,

Ben L. Odom
Senior Vice President
Operations

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PUEBLO OF LAGUNA
GOVERNOR'S OFFICE

A G R E E M E N T

This Agreement dated October 8, 1984 is between the Pueblo of Laguna (The Pueblo) and Anaconda Minerals Company (Anaconda), and establishes a legal basis for proceeding with reclamation of the Jackpile-Paguate Mine (Mine) located on lands of The Pueblo.

1. In consideration for the actions by The Pueblo promised in this Agreement, Anaconda will:

(a) Upon execution of this Agreement, transfer to The Pueblo \$40,900,000 in a single lump sum, subject to being disbursed for reclamation and related purposes as mutually agreed between the Pueblo of Laguna and the Department of Interior; and

(b) Within thirty (30) days of the execution of this Agreement, donate to The Pueblo in an "as is" condition all buildings and facilities at the mine site, including mobile homes and permanent homes for residential purposes (providing those homes are removed from the Mine site prior to occupation), railroad spur, shop buildings and any other buildings at the mine site, and water, sewage, power systems for support services to these buildings and facilities. The Pueblo agrees to accept and assume responsibility for all such buildings and facilities in such condition.

2. In consideration for the actions by Anaconda promised in this Agreement, The Pueblo will:

(a) Accept full responsibility for reclaiming the Mine and conducting all other related and necessary activities in accordance with the March 1982 reclamation plan (Green Book), or in accordance with another plan which is acceptable to or required by federal and state agencies with jurisdiction over reclamation activities, and which is otherwise consistent with Federal and State laws. The Pueblo agrees to assume responsibility for obtaining approval of such plan for reclamation and related activities.

(b) Assume any responsibility Anaconda may have had for proper reclamation of the Mine, including any obligations imposed by Anaconda's leases with The Pueblo, or by Federal or State law. The Pueblo releases Anaconda from any and all claims of the Village of Pagate, and will hold Anaconda harmless from, and reimburse Anaconda for any expenses incurred because of, any claim arising from the reclamation of the Mine or any related activities.

3. For the ninety (90) day period following the execution of this Agreement, Anaconda agrees to make available any and all reports, studies or documents developed by Anaconda

which are pertinent to the reclamation project. Immediately upon execution of this Agreement, the Parties agree to commence meeting to discuss scheduling and other implementing details necessary to enable The Pueblo to commence reclamation and related activities.

4. This Agreement is subject to the Department of Interior accepting and approving this assignment of responsibility and upon such acceptance and approval will become binding upon the Parties.

Vincenti Pedro, Sr.
Governor
Pueblo of Laguna

Date

Ben L. Odom
Senior Vice President
Anaconda Minerals Company

Date

ACCEPTED AND APPROVED:

United States Department
of The Interior

Date